

OPPORTUNITY ZONES

ISSUE SUMMARY:

EPA's Office of Policy (OP) has provided support to communities with Opportunity Zones (OZs) through grants, technical assistance, training, and tools. This support is provided primarily by the Office of Community Revitalization (OCR) and the Office of Environmental Justice (OEJ) within the OP and the Office of Land and Emergency Management's Brownfields program.

UPCOMING MILESTONES:

- None

BACKGROUND:

OZs are economically distressed communities that have been formally created by governors across the country. More than 8,700 census tracts have been designated as OZ across the country. OZs were designed to spur economic development and encourage job creation in distressed communities by providing tax benefits to investors.

Key Dates. In December 2017, the Tax Cuts and Jobs Act was signed into law, which established a new Federal tax incentive that promotes long-term equity investments in low-income communities. In December 2018, the President signed an Executive Order which established the White House Opportunity and Revitalization Council to carry out the Administration's plan to target, streamline, and coordinate Federal resources to be used in OZs and other economically distressed communities.

EPA Role. EPA Administrator Andrew Wheeler sits on the Council and participated in the first meeting in April 2019. The EPA is a supporting agency on two of the council's six identified workstreams, Economic Development and Safe Neighborhoods. EPA's work to support OZs across the agency is coordinated by the OP, the chief policy arm of the agency directly advising the Administrator on advancing EPA's mission of protecting the environment and human health. OP's OCR and OEJ have extensive experience working in communities to support locally led, community-driven strategies that improve economic development and environmental and human health outcomes.

EPA's Effort to Support Opportunity Zones. In addition to technical assistance provided by the OCR, the following are examples of agency efforts to support OZs:

In 2020, the EPA announced the availability of over \$17 million under the Water Infrastructure Improvements for the Nation (WIIN) Act for projects that implement or improve corrosion control or

conduct lead service line replacements in disadvantaged communities and an additional \$22.8 million for projects that remove sources of lead in drinking water in schools or child care facilities. The agency is prioritizing projects for drinking water systems that service disadvantaged communities, including those that are part of OZs.

In 2019, the EPA's Urban Waters program created a set of maps that highlight OZ locations within Urban Water Partnership locations and shared with partners for their awareness. There are 20 Urban Waters Partnerships and hundreds of community improvement projects across the country. Examples of these projects include stream and river restoration, community-led cleanups, environmental education events, implementation of green infrastructure for flood control, and water quality monitoring.

In the past three years, we have improved air quality for 38 areas of the country that have transitioned from nonattainment to attainment for a range of air pollutants. In 2019, EPA re-designated several areas of the country with OZs from non-attainment to attainment for a range of air pollutants. Those areas include Washington, DC; Williamson County, Illinois; Terre Haute, Indiana; Missoula, Montana; and Cleveland, Columbus, and Lake County, Ohio.

Multi-Year Budget Proposal: In 2019, the OP submitted an FY 2021 budget proposal in support of OZs requesting the following: \$1.3 Million in the Environmental Programs and Management appropriation annually to support payroll for a total of 12 FTE in both FY 2020 and FY 2021 (1 new regional FTE for each of the 10 Regional Offices and 2 FTE for OP); \$50k per region each year in travel funding to allow Regional staff to provide direct technical assistance through various means (e.g., workshops, roundtables); and \$2 million per year for Technical Assistance.

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KEY EXTERNAL STAKEHOLDERS:

☐ Congress ☐ Industry ☒ States ☐ Tribes ☐ Media ☐ Other Federal

Agency

☐ NGO ☒ Local Government ☐ Other

Communities, local governments

MOVING FORWARD:

- EPA's OCR is planning to provide virtual technical support workshops for up to 30 communities with OZs in early FY 2021.

LEAD OFFICE/REGION: OP/REGION 9

OTHER KEY OFFICES/REGIONS: OLEM, ALL REGIONS